



◊ CERB NEWS ◊

State investments in Spokane, Skagit, Snohomish, Whatcom, Island, San Juan and Chelan counties will retain existing jobs and boost new job creation supporting business development, plus future business growth through an economic feasibility plan, as a result of actions taken at the January 20, 2005 meeting of the Washington State Community Economic Revitalization Board (CERB).

Spokane International Airport

CERB conditionally approved an \$800,000 loan and a \$200,000 grant to Spokane International Airport (SIA) to help construct a 16,000 square foot Aircraft Maintenance and Avionics facility for lease to XN Air, LLC. The facility will be used for the installation and repair of avionics equipment, specialized instruments, aircraft structural modifications and routine aircraft maintenance, as well as serve as a test site for development of new aircraft electronics.



“The investments by CERB and the SIA in economic public infrastructure supporting XN Air’s growth, creates the environment for the company to increase the availability of higher wage jobs for the Spokane area,” said Juli Wilkerson, Director of the Department of Community, Trade and Economic Development. “The CERB Program was created by the Legislature 22 years ago and has earned a solid reputation for making sound investments in economic development-driven public infrastructure supporting industrial business development and job opportunities for the citizens of our state. The technical jobs created by XN Air will provide employment for college graduates as well as on-the-job training opportunities for existing and future employee advancement.” concluded Wilkerson.

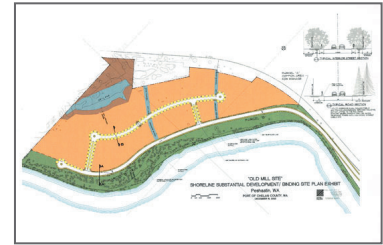
XN Air will retain 8 current employees and create 54 new jobs, with average annual salaries of \$37,000 in the Spokane area economy, compared to the average county-wide salary of \$33,500. XN Air has an on-going certified training program in technical areas, a tuition assistance program, and works closely with Eastern Washington University and other colleges through internship programs.

XN Air has been located at the Airport since 2003 and in that short time has doubled business volume. The partnership between SIA and XN Air will strengthen aircraft services offered in the Pacific Northwest and serve as a catalyst for more technical and manufacturing jobs at the parent company, XN Technologies, in Cheney. XN Air, a globally reputable avionics business, will serve as a magnet for attracting other aviation-related commerce and future business growth at SIA and the surrounding area.

Annual state and local tax revenue from this project are estimated at \$766,043. CERB funds were matched with nearly \$602,000 in funds from the Spokane International Airport.

Port of Chelan County

CERB conditionally approved a \$31,000 grant to the Port of Chelan County to continue with a phased analysis approach concerning future development of the 60-acre former Peshastin Mill site property. This property was purchased by the Port in 1995 and occupies a strategic part of the Port's economic development future. Since that time, the Port has invested in planning and evaluation, environmental rehabilitation of the site and securing water rights. The mill was closed years prior to the Port's purchase, and the closure caused the loss of nearly 400 jobs in the area. To date, the Peshastin area has not fully recovered from the loss of those family-wage jobs. The Port of Chelan County will take this property one step closer to becoming a productive site for future business development and job creation.



Peshastin Mill Site Rendering

The three main goals for this project are to complete an engineering study to evaluate ingress and egress to the property, evaluate the best use of the land in relationship to Chelan County zoning, and develop a marketing strategy to recruit possible industries as well as attract investment partners.

CERB funds are matched with \$57,000 in other state and local investments.

Skagit County



CERB conditionally approved a \$15,000 grant to Skagit County, who is in partnership with five neighboring Northwest counties, to investigate the potential of creating a business development facility to support value-added agriculture product development and consumer-ready products in this region. The feasibility study will affect the five-county area of Skagit, Snohomish, Whatcom, Island and San Juan. Increased production and transportation costs, foreign competition and local population encroachment by non-agricultural land users are putting pressure on regional agriculture sector business and lands. The purpose of this study is to assess the feasibility of creating a value-added agricultural business development facility to help retain and grow the agri industry in the five-county area.

CERB funds are matched with \$30,000 in other state and local investments.

CERB Board Members and Staff January 2005

2004 CERB Legislative Report

The 2004 CERB Legislative report is published and available upon request.

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Upcoming CERB Meetings

March 17, 2005

May 19, 2005
(Applications due April 4, 2005)

July 21, 2005
(Applications due June 6, 2005)

GOVERNOR APPOINTED

Judith Boekholder, Board Chair
Toppenish, Washington
City Official

Jeffrey Matson, Vice Chair
Sunnyside, Washington
Port Official

George Raiter
Kelso, Washington
County Official

Vicki Gordon
Pasco, Washington
Small Business Representative

Dennis Townsend
Eatonville, Washington
Small Business Representative

Jack Pittis
Port Angeles, Washington
Public Representative

Joe Pinzone
Camas, Washington
Large Business Representative

Marty Gardner
Kennewick, Washington
Large Business Representative

Tom Trulove
Cheney, Washington
Public Sector Economist

Leroy Williams
Bremerton, Washington
Small Business Representative

Miland Walling
Bickleton, Washington
Small Business Representative

Vacant
Federally Recognized Indian
Tribe Representative

PUBLIC REPRESENTATIVES

Vacant
Senate Majority Caucus
Senator Mike Hewitt
Senate Minority Caucus
Representative John McCoy
House Majority Caucus
Representative Dan Newhouse
House Minority Caucus

AGENCY REPRESENTATIVES

Elizabeth Robbins
Dept. of Transportation
Gary Kamimura
Employment Security Dept.
Victor Vasquez
Community Trade & Econ. Dev.
Skeets Johnson
Dept. of Revenue

CERB/CEAC

Kate Engle Rothschild
CERB Program Manager
Janea Eddy
CERB Program Assistant
Tina Cohen
Special Projects Manager
Dara Fredericksen
CEAC Managing Director

PROJECT DEVELOPMENT SERVICES

Dick Larman
PDS Managing Director
Brent Bahrenburg
Project Dev. Staff
Terry Lawhead
Project Dev. Staff
Bob Sandoval
Project Dev. Staff

CERB is a state economic development resource strategically focused to help business and industry create and retain jobs in partnership with local communities.

CERB provides financing for construction of public facilities that support private sector development and increased employment opportunities.

Management support is provided by Community, Trade & Economic Development, Washington's lead agency charged with enhancing and promoting sustainable economic vitality throughout the state.

Communities with potential projects are encouraged to contact CERB staff at
360.725.4058 or by email to KateR@cted.wa.gov

